

Message Text

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ACTION EUR-25

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-07 H-03 INR-10 L-03

NSAE-00 NSC-10 PA-04 RSC-01 PRS-01 SPC-03 SS-20

USIA-15 ACDA-19 IO-14 COME-00 EB-11 LAB-06 SIL-01

TRSE-00 OMB-01 AID-20 CIEP-02 STR-08 CEA-02 DOTE-00

FMC-04 INT-08 SCEM-02 NIC-01 AGR-20 SAJ-01 DRC-01

/224 W

----- 116609

R 291838Z NOV 73

FM AMEMBASSY LONDON

TO SECSTATE WASHDC 5945

INFO AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY THE HAGUE

AMEMBASSY LUXEMBOURG

AMEMBASSY PARIS

AMEMBASSY ROME

USMISSION EC BRUSSELS

USMISSION OECD PARIS

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E.O. 11652: N/A

TAGS: ELAB, UK, PINT

SUBJECT: HEATH-MINERS' MEETING FAILS TO BREAK DEADLOCK

REF: LONDON 13720 AND LONDON 13929

1. BEGIN SUMMARY: PRIME MINISTER HEATH MET YESTERDAY
(NOVEMBER 28) WITH THE EXECUTIVE COMMITTEE OF THE
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NATIONAL UNION OF MINEWORKERS (NUM) BUT WAS UN-

SUCCESSFUL IN GETTING THE MINERS TO LIFT THEIR OVERTIME BAN. THE MINERS ALSO DECIDED NOT TO HOLD A SECRET BALLOT ON THE ISSUE AT THIS TIME. DESPITE THE CONTINUATION OF THE STALEMATE, THE PRIME MINISTER -- AFTER REAFFIRMING THE SANCTITY OF THE PAY LIMITS UNDER STAGE THREE - MAINTAINED A CONCILIATORY TONE IN AN OBVIOUS EFFORT TO KEEP ALL POSSIBLE LINES OF SETTLEMENT OPEN. THE REMARKS MADE TO THE PRESS AFTER THE MEETING BY NUM PRESIDENT JOE GORMLEY WERE ALSO MUTED IN TONE. END SUMMARY

2. THE MEETING BETWEEN THE PRIME MINISTER AND THE NUM EXECUTIVE COMMITTEE LASTED THREE AND ONE-HALF HOURS, DURING WHICH THE PRIME MINISTER MADE IT CLEAR THAT A SETTLEMENT OF THE DISPUTE WOULD HAVE TO REMAIN WITHIN STAGE THREE LIMITS, NOTING THAT TO DO OTHERWISE WOULD AFFECT CLAIMS OF OTHER UNIONS FOR SPECIAL TREATMENT. THE PRIME MINISTER SUGGESTED TO THE MINERS THAT ALTHOUGH THE OVERALL PAY PACKAGE OF THE NATIONAL COAL BOARD (NCB) MUST REMAIN UNCHANGED, WAGES WITHIN THE FRAMEWORK OF THE OFFER COULD BE RE-ARRANGED. CONSIDERABLE TIME WAS SPENT DURING THE MEETING BY BOTH SIDES IN DEBATING THE ISSUE OF WHETHER THE COAL MINERS WOULD BE AHEAD OF COMPARABLE MANUFACTURING INDUSTRIES IF THEY ACCEPTED THE NCB OFFER. (WITH HEATH AT THE MEETING WERE ANTHONY BARBER, CHANCELLOR OF THE EXCHEQUER, TOM BOARDMAN, MINISTER FOR INDUSTRY AND MAURICE MACMILLAN, SECRETARY FOR EMPLOYMENT).

3. THE NUM EXECUTIVE COMMITTEE MET LATER AND VOTED 18 TO 5 WITH 4 ABSTENTIONS TO CONTINUE THE OVERTIME BAN AND AGAINST CALLING A SECRET BALLOT ON THE ISSUE AT THIS TIME. GORMLEY LATER TOLD PRESS AND TELEVISION REPORTERS THAT THE NUM "GOT NO CHANGE IN THE OFFER FROM THE PRIME MINISTER" AND SO WOULD "CARRY ON AS WE ARE." HE STRESSED THAT THE NUM HAD NO DESIRE TO FORCE OUT THE HEATH GOVERNMENT BUT RATHER SOUGHT TO CHANGE THE GOVERNMENT'S POLICY IN THE COAL DISPUTE. HE ALSO INDICATED THAT WHILE HE PERSONALLY FAVORED A PIT BALLOT ON THE OFFER, HE HAD TO ACCEPT THE MAJORITY LIMITED OFFICIAL USE

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VIEW. (THE NUM PRESIDENT DOES NOT VOTE UNLESS THERE IS A DEADLOCK OR TIE). GORMLEY WAS CERTAINLY MORE CONCILIATORY THAN IN PREVIOUS PUBLIC STATEMENTS BUT HE DID WARN THAT IF THE NUM COULD NOT OBTAIN A BETTER SETTLEMENT FROM THE GOVERNMENT "THERE COULD BE A LOT OF TROUBLE."

4. THE PRIME MINISTER TOLD THE PRESS THAT HE WAS NOT

NOW PRESENTING FURTHER EMERGENCY MEASURES TO DEAL WITH THE FUEL CRISIS. (COAL PRODUCTION HAS BEEN AVERAGING ABOUT 75 PERCENT DURING THE FIRST TWO WEEKS OF THE OVERTIME BAN.) HE DID, HOWEVER, ALLUDE TO THE POSSIBILITY THAT HE MIGHT CALL AN EMERGENCY MEETING WITH THE TUC LEADERSHIP TO HELP RESOLVE THE SITUATION. (AN EDITORIAL IN THE LONDON TIMES, NOVEMBER 29, SUGGESTED THE POSSIBILITY OF AN IMPARTIAL INVESTIGATION OF THE MINERS' CLAIM THAT PAY RESTRUCTURING WAS ESSENTIAL IN ORDER TO STOP THE FLIGHT OF MANPOWER IN THE MINES.)

5. EMBASSY OFFICERS SPOKE WITH DAVID LEE, THE TUC'S CHIEF ECONOMIST, WHO THOUGHT A MEETING BETWEEN HEATH AND THE TUC WOULD TAKE PLACE SOON. LEE SAID THAT THE TUC WOULD BE PREPARED TO PRESENT THE PRIME

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INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-07 H-03 INR-10 L-03

NSAE-00 NSC-10 PA-04 RSC-01 PRS-01 SPC-03 SS-20

USIA-15 ACDA-19 IO-14 COME-00 EB-11 LAB-06 SIL-01

OMB-01 AID-20 CIEP-02 TRSE-00 STR-08 CEA-02 DOTE-00

SAJ-01 FMC-04 INT-08 SCEM-02 AGR-20 NIC-01 DRC-01

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FM AMEMBASSY LONDON

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INFO AMEMBASSY BONN

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MINISTER WITH A PROGRAM WHICH MIGHT AT LEAST INDIRECTLY RESOLVE THE COAL DISPUTE. THE TUC'S PROPOSALS, IN ESSENCE, WOULD ESSENTIALLY REITERATE THE BASIC TUC POSITION THAT STAGE THREE WOULD HAVE TO BE MODIFIED. HE SUGGESTED INTER ALIA INCREASED TAXES ON THE WEALTHIER ELEMENTS IN THE POPULATION, THE REVENUES FROM WHICH COULD BE USED FOR HOUSING, PENSIONS, AND OTHER SOCIAL MEASURES. THIS WOULD BE COUPLED WITH LIMITED OFFICIAL USE

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TOUGHER PRICE CONTROLS AND FOOD SUBSIDIES, BUT WOULD LEAVE WAGE BARGAINING ON A VOLUNTARY BASIS. IN RETURN THE TUC WOULD SEEK A GENERAL CONCENSUS AMONG ITS AFFILIATES TO KEEP WAGE CLAIMS WITHIN LIMITS. LEE ARGUED THAT THE BALANCE OF PAYMENTS SITUATION, THE LOWER TRADE FIGURES, AND THE OIL CRISIS, IN ANY EVENT, ARE MAKING IT NECESSARY FOR THE GOVERNMENT TO TAKE ANOTHER LOOK AT STAGE THREE.

6. DURING A PARTY POLITICAL EVENING TV BROADCAST FOLLOWING THE MEETING, JAMES PRIOR (LEADER OF THE HOUSE) EXPLAINED THE GOVERNMENT POSITION ON PAY DISPUTES, EMPHASIZED IMPORTANCE OF EFFORTS TO CONTROL INFLATION AND APPEALED FOR PUBLIC UNDERSTANDING OF STAGE THREE. PRIOR ALSO TOOK A RESTRAINED, CONCILIATORY APPROACH.

7. COMMENT: HEATH'S CONCILIATORY TONE WAS OBVIOUSLY DESIGNED TO KEEP ALL THE DOORS OPEN TO A SETTLEMENT. AN NUM SPOKESMAN DESCRIBED THE IMPASSE AS ONE IN WHICH "UNFORTUNATELY EACH SIDE IS STANDING ON ITS DIGNITY." THE MINERS' SPOKESMAN ARGUED THAT THE NUM CAN AFFORD "TO SIT TIGHT AND WAIT" EVEN IF THE MINERS EVENTUALLY HAD TO ENGAGE IN A FULL-SCALE STRIKE. THE NUM, HE SAID, WILL CONTINUE TO INSIST ON A CHANGE IN THE BASIC M HE SEES LITTLE HOPE IN TUC INVOLVEMENT IN THE DISPUTE SINCE "THE TUC, AFTER ALL, DEVELOPED THE POLICY AGAINST STAGE THREE." (LEE'S FORMULATION OF TUC RESPONSE TO HEATH IS HARDLY LIKELY TO WIN ACCEPTANCE FROM THE GOVERNMENT.) HE ALSO DISCOUNTED THE IDEA OF AN INVESTIGATORY COMMISSION TO RESTRUCTURE

MINERS' PAY UNLESS IT COULD COME UP WITH A SOLUTION QUICKLY.

8. AS ONE ASTUTE JOURNALIST OBSERVER PUT IT TO US, "NOBODY KNOWS WHERE THIS COAL CRISIS WILL GO."

9. (NOTE: GORMLEY HAD PLANNED TO ATTEND THE CONVENTION OF THE UNITED MINeworkERS OF AMERICA IN PITTSBURGH DECEMBER 3-9 BUT BECAUSE OF THE DISPUTE HAS SENT HIS REGRETS. HE NOW HOPES TO VISIT THE US IN THE SPRING.)

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Message Attributes

Automatic Decaptioning: X
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